

**FILED**

JAN 12 2023 SK

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

THOMAS G. BRUTON  
CLERK, U.S. DISTRICT COURT

UNITED STATES OF AMERICA

v.

MICHAEL MAURELLO

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No.

Violations: Title 18, United States  
Code, Sections 1343 and 1344(2)

COUNT ONE

23cr20  
Judge Shah  
Magistrate Judge Cox

The SPECIAL JULY 2021 GRAND JURY charges:

1. At times material to this indictment:

a. Organization A was a nonprofit museum and educational institution located in Chicago, Illinois.

b. Defendant MICHAEL MAURELLO was employed by Organization A as its Payroll Manager.

c. Organization A maintained a bank account at JPMorgan Chase Bank, N.A. ("Chase"). Organization A used that account to fund payments to its employees or former employees for payroll and other compensation. The deposits of Chase were insured by the Federal Deposit Insurance Corporation.

d. In addition to regularly scheduled payroll, Organization A paid employees or former employees for accrued but unused leave after the person's employment terminated (also called "paid time off" or "PTO" payments). At the employee's option, payments for payroll or other compensation, including PTO, could

either be by physical check or by direct deposit to the employee's bank account. Payments by direct deposit were executed electronically.

e. As Payroll Manager, MAURELLO was responsible for authorizing and causing payments for payroll and other compensation to be made from Organization A's Chase account to employees and former employees. When an employee received payment by direct deposit, that employee's profile in the payroll system included the account number for the employee's bank account. MAURELLO's access to Organization A's payroll system enabled MAURELLO to make changes to the profiles for individual employees, including the employee's direct deposit account number.

2. Beginning no later than 2007, and continuing until in or about February 2020, in the Northern District of Illinois, Eastern Division, and elsewhere,

MICHAEL MAURELLO,

defendant herein, knowingly devised, intended to devise, and participated in a scheme to defraud Organization A and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, as further described below.

3. It was part of the scheme that MAURELLO knowingly caused Organization A to make direct deposits to his personal bank accounts for amounts he knew were not owed to him and to which he was not otherwise entitled. MAURELLO accomplished those fraudulent transfers by, among other things: (1) falsely designating those payments in the payroll system as if they were to other employees

or former employees; and (2) falsely representing the nature or purpose of those payments.

4. It was further part of the scheme that MAURELLO accessed the profiles of employees or former employees in Organization A's payroll system and falsely changed the account numbers for those employees' direct deposit accounts to an account number for one of MAURELLO's personal bank accounts.

5. It was further part of the scheme that MAURELLO then entered a dollar amount into the payroll system that would be paid via direct deposit to his bank account, although he knew that those payments falsely appeared in Organization A's system and in Chase's records as if they were for the benefit of another employee or former employee.

6. It was further part of the scheme that MAURELLO entered false reasons for those payments into the payroll system, which false reasons included, among others, that:

a. the payment was for the named employee's accrued PTO, when, in fact, the employee either did not have any accrued PTO or the employee had already received full payment for any accrued PTO, and the payment did not go to that employee;

b. the payment was a result of a purported negative payroll deduction for life insurance premiums;

c. the payment was a result of a purported negative withholding of taxes; and

d. the payment was a result of a purported negative payroll deduction for tuition remission.

7. It was further part of the scheme that after taking the above steps, MAURELLO signed onto Chase's online account management system for Organization A's payroll account and approved the direct deposits to be made from that account to one of his personal bank accounts, knowing he was not owed or otherwise entitled to that money.

8. It was further part of the scheme that, based on MAURELLO's approval, Chase caused those direct deposits to be made electronically from Organization A's payroll account to one of MAURELLO's personal accounts.

9. It was further part of the scheme that after causing direct deposits to be made to his accounts purportedly for the benefit of other employees or former employees, MAURELLO typically took the following actions to conceal the scheme:

a. MAURELLO re-accessed the employee's profile on Organization A's payroll system and changed the direct deposit information from the number for his account back to the number for the employee's bank account. MAURELLO did this to conceal that the payments did not, in fact, go to the identified employee but instead went to him.

b. MAURELLO reversed the transaction in Organization A's payroll system so that the payment would not appear as taxable income on the employee's year-end tax form. MAURELLO did this because the employee or former employee

otherwise would become aware of a purported payment that the employee had never actually received.

10. It was further part of the scheme that in or about January 2020, when MAURELLO was asked by Organization A's assistant controller about one of the payments purportedly made to a former employee, MAURELLO falsely stated that the transaction was only a test of the payroll system.

11. It was further part of the scheme that on or after January 31, 2020, MAURELLO edited and altered a report from Organization A's payroll system to conceal information regarding the funds he misappropriated, including by falsely changing the employees' names, the dates of the payments, and the dollar amounts of the payments.

12. It was further part of the scheme that MAURELLO misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the purposes of the scheme and acts done in furtherance of the scheme.

13. As a result of the scheme, MAURELLO fraudulently obtained more than \$2,000,000 from Organization A.

14. On or about November 14, 2018, in the Northern District of Illinois, Eastern Division, and elsewhere,

MICHAEL MAURELLO,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, and signals, namely, a wire transmission directing the transfer of

approximately \$9,863.30 from Organization A's payroll account at Chase, purportedly on behalf of Employee A, to defendant's personal account at Chase;

In violation of Title 18, United States Code, Section 1343.

**COUNT TWO**

The SPECIAL JULY 2021 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 13 of Count One are incorporated here.

2. On or about July 5, 2019, in the Northern District of Illinois, Eastern Division, and elsewhere,

MICHAEL MAURELLO,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, and signals, namely, a wire transmission directing the transfer of approximately \$62,710.10 from Organization A's payroll account at Chase, purportedly on behalf of Employee B, to defendant's personal account at Chase;

In violation of Title 18, United States Code, Section 1343.

**COUNT THREE**

The SPECIAL JULY 2021 GRAND JURY further charges:

1. The allegations in paragraph 1 of Count One are incorporated here.
2. Beginning no later than 2007, and continuing until in or about February 2020, in the Northern District of Illinois, Eastern Division, and elsewhere,

MICHAEL MAURELLO,

defendant herein, knowingly participated in a scheme to obtain money owned by and under the custody and control of Chase by means of materially false and fraudulent pretenses, representations, and promises, as further described herein.

3. The allegations in paragraphs 3 through 13 of Count One are incorporated here.

4. On or about February 27, 2017, in the Northern District of Illinois, Eastern Division, and elsewhere,

MICHAEL MAURELLO,

defendant herein, knowingly executed the above-described scheme, and attempted to do so, by causing a transfer of approximately \$35,907.13 from Organization A's payroll account at Chase, purportedly on behalf of Employee C, to defendant's personal account at Chase;

In violation of Title 18, United States Code, Section 1344(2).



**COUNT FOUR**

The SPECIAL JULY 2021 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 3 of Count Three are incorporated here.

2. On or about July 5, 2019, in the Northern District of Illinois, Eastern Division, and elsewhere,

MICHAEL MAURELLO,

defendant herein, knowingly executed the above-described scheme, and attempted to do so, by causing a transfer of approximately \$53,137.31 from Organization A's payroll account at Chase, purportedly on behalf of Employee D, to defendant's personal account at another financial institution;

In violation of Title 18, United States Code, Section 1344(2).

**FORFEITURE ALLEGATION**

The SPECIAL JULY 2021 GRAND JURY further alleges:

1. Upon conviction of an offense in violation of Title 18, United States Code, Sections 1343 or 1344(2), as set forth in this Indictment, defendant shall forfeit to the United States of America any property which constitutes and is derived from proceeds obtained directly and indirectly as a result of the offense, as provided in Title 18, United States Code, Section 982(a)(2)(A).

2. The property to be forfeited includes, but is not limited to, a personal money judgment in an amount of at least \$2,308,772.

3. If any of the property described above, as a result of any act or omission by a defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty, the United States of America shall be entitled to forfeiture of substitute property, as provided in Title 21, United States Code Section 853(p).

A TRUE BILL:

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FOREPERSON

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Signed by Jason A. Yonan  
on behalf of the  
UNITED STATES ATTORNEY